



FAIR POLITICAL PRACTICES COMMISSION

128 J Street • Suite 620 • Sacramento, CA 95814-2325

(916) 322-5660 • FAX (916) 322-6886

May 25, 2010

Mr. Michael Ceremello

REDACTED

Re: FPPC No. 090012; In the Matter of Michael Ceremello

Dear Mr. Ceremello:

The Fair Political Practices Commission ("Commission") enforces the provisions of the Political Reform Act ("Act") found in Government Code Section 81000, and following.¹ The Commission has completed its investigation of the sworn complaint that was submitted against you as a council member for the City of Dixon. The complaint alleged that you failed to disclose employer information on your statements of economic interests and that you participated in governmental actions in violation of the conflict of interest provision of the Act, Section 87100.

There is no evidence that you violated the Act. As a result, we are closing this case with this letter.

Under the Act, public officials delineated in Section 87200, including members of city councils, must file Statements of Economic Interests, disclosing their reportable economic interests, including sources of income as required by Section 87207. These public officials must file a Statement of Economic Interests when assuming office each year at a time specified by Commission regulations, and then when leaving office.

The complaint stated that you were an employee of the newspaper, Dixon's Independent Voice, but failed to report the newspaper as a source of income to you. The investigation revealed that you were not an employee of Dixon's Independent Voice, but rather served as a volunteer writer without compensation. Therefore, you did not have a duty to disclose Dixon's Independent Voice on your Statements of Economic Interests.

¹ The Political Reform Act is contained in Government Code Sections 81001 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

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The complaint also alleged that you violated the conflict of interest provision of the Act by participating in city council actions involving Dixon's Independent Voice.

Section 87100 provides that no public official at any level of state or local government may make, participate in making, or in any way use or attempt to use his or her official position to influence a governmental decision in which he or she knows or has reason to know he or she has a disqualifying conflict of interest. To determine whether an individual has a disqualifying conflict of interest, the Commission generally employs the following sequenced analysis: (1) is the individual a public official; (2) did the official make, participate in making, or use or attempt to use the official position to influence a governmental decision; (3) what are the official's economic interests, (4) are the official's economic interests directly or indirectly involved in the governmental decision; (5) what is the applicable materiality standard for each economic interest involved; and (6) is it reasonably foreseeable that the governmental decision will have a material financial effect on the official's economic interest.² (Regulation 18700.)

Since you were not an employee of Dixon's Independent Voice, you did not have an economic interest in any council decisions involving Dixon's Independent Voice. Therefore, your governmental actions involving the newspaper did not violate Section 87100. As a result, we are closing this case without further action.

The Commission publishes forms and manuals to facilitate compliance with the provisions of the Act and provides guidance regarding filing obligations over the telephone and through written advice. Please call the Commission's Technical Assistance Division at 1-866-275-3772 or visit our website at www.fppc.ca.gov if you need assistance.

Sincerely,

REDACTED

MELLONIE Y. XG
Assistant Chief
Enforcement Division

MY:fp
cc: Mr. Michael Smith

² The additional two steps of the analysis - whether the public generally exception applies and whether the individual is legally required to participate in the governmental decision - are inapplicable to this matter.